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CENTRAL INTELLIGENCE AGENCY

Memorandum



THE SITUATION IN VIETNAM

Information as of 1600 5 April 1966

ARMY review(s) completed.

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HIGHLIGHTS

Premier Ky has again postponed the confrontation between pro-GVN marines and antigovernment dis-In a speech at Da Nang airport, he said I Corps commander General Chuan was in charge of the situation. He denied the Communists control Da Nang and Hue.

- The Military Situation in South Vietnam: US Army Operations LINCOLN and CIRCLE PINES are continuing according to plan in the southern Pleiku northern Darlac Province area and in Hau Nghia Province, respectively (Paras. 1-2). B-52 strategic bombers have again struck a major Communist politicalmilitary headquarters complex near the Thua Thien/ Quang Tri Province border (Para. 3). A recent COMUSMACV assessment discusses a suspected major Communist troop build-up in South Vietnam's northern I Corps area (Para. 4).
- Political Developments in South Vietnam: Ky's conference with progovernment and opposition leaders in Da Nang has apparently calmed both sides tonight (Para. 1). General Nhuan, 1st Division commander in Hue, has apparently cast his vote for the struggle forces (Para. 2). A Buddhist monk has been knocked unconscious by riot troops in Saigon in demonstrations which violated the new curfew (Para. 3). Government and Buddhist leaders are still in communication with each other (Para. 4).

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V. Communists Political Developments: The Viet Cong are stressing anti-American themes in their latest propaganda aimed at exploiting the current political unrest against the Ky regime (Para. 3). Moscow claims that US military actions in Vietnam have caused the USSR to increase its defense expenditures. Actually, it appears that the defense budget will continue to depend on the growth of Soviet GNP of which it forms about ten percent (Paras. 4-5).

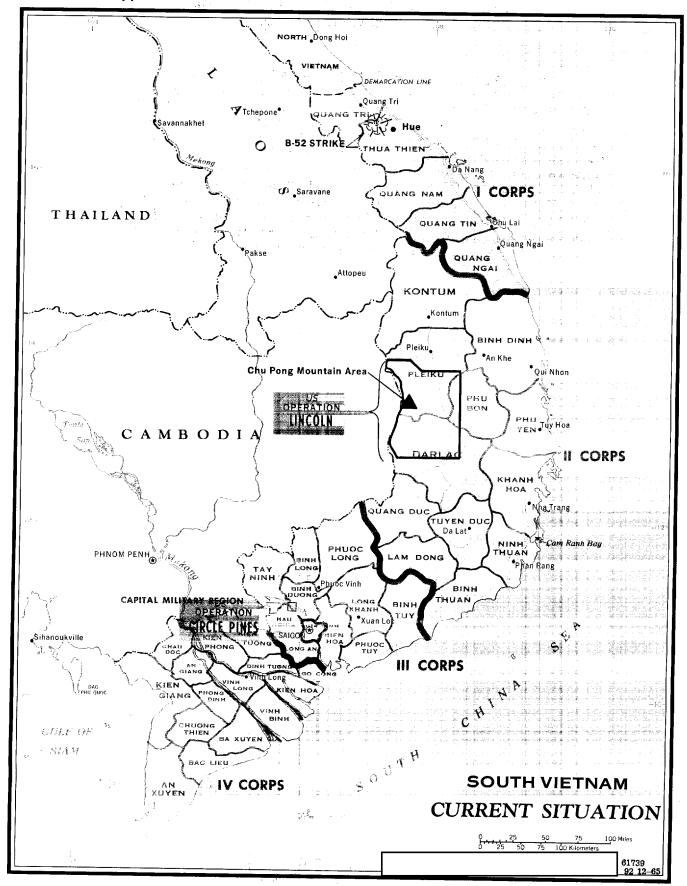
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I. MILITARY DEVELOPMENTS IN SOUTH VIETNAM

- 1. Elements of the US 1st Air Cavalry Division on aerial reconnaissance missions yesterday in support of Operation LINCOLN reported 43 Viet Cong killed by aerial artillery and tactical air strikes in an engagement south of Chu Pong Mountain in southwestern Pleiku Province. Communist losses in the 13-day ground sweep presently total 368 killed, six captured, and 82 weapons seized, in contrast to American casualties of 34 killed, 84 wounded, and five missing.
- 2. Elements of two battalions of the US 25th Infantry Division conducting Operation CIRCLE PINES in Hau Nghia Province reported two sharp contacts with mortar-equipped reinforced platoon and company-strength Viet Cong forces during the past 24 hours. Forty enemy troops were killed, as against US losses of four killed and 24 wounded. Since its initiation on 28 March, CIRCLE PINES has resulted in cumulative Communist losses of 149 killed and five captured, as compared with American losses of 25 killed and 126 wounded.
- 3. Fifteen USAF B-52 Stratofortresses last night launched the second attack within the past 48 hours against a major Communist target complex 20 nautical miles west-northwest of Hue, near the Thua Thien Quang Tri provinces border. The strike zone was reported to contain the National Liberation Front provincial headquarters, two food storage areas, and the "North Division" headquarters, which is believed responsible for all Viet Cong/PAVN forces in the northern provinces of I Corps. No ground follow-up operations were scheduled.

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Viet Cong Activity

4. According to a recent COMUSMACV assessment, evidence continues to accumulate that the Communists are massing large forces in the northern provinces of South Vietnam (I Corps), particularly in Quang Ngai, Quang Nam, and Quang Tin provinces, in preparation for major offensive activity which may start in the near future.

Special Forces reports indicate that a substantial additional infiltration of North Vietnamese units has occurred in recent weeks. The assessment concludes that, if the reports of newly infiltrated regiments into the area are correct, as many as ten enemy regiments may now be located in I Corps, thus posing a significant threat to friendly forces and bases throughout the area.

Communist Command Structure

- 5. US military and intelligence authorities in Saigon have provided a new assessment of the upper echelon Viet Cong/North Vietnamese command structure in South Vietnam. Past studies had suggested that the Communists were building up to a force of eight divisions. Six were known to be in existence and two were thought to be in the process of forming. However, in the light of recently captured documents and prisoner interrogations, it now appears that the command structure will contain only five division-level units and a number of territorial commands subordinate to Military Region 5 and Military Headquarters Nambo.
- 6. Each of these commands will have military units subordinate to it. The current indications that there are only five Communist division structures instead of eight does not affect the total number of regimental formations in the Communist forces. The number of regiments is continuing to increase; twenty-three have been confirmed and at least eight others have been reported.

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II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

- Premier Ky has again postponed the confrontation between pro-GVN Marines and antigovernment dissidents by making a timely trip to Da Nang to confer with Buddhist leaders and I Corps commander, General In a speech at the marine-held airport, before leaving for Saigon, Ky stated that Chuan was in charge of the situation there and that the charge of Communist control of Da Nang and Hue was After Chuan conferred with Ky, Chuan incorrect. sent elements of the 11th Ranger Battalion back to Hoi An, the capital of Quang Nam Province, after apparently bringing them into Da Nang to oppose Ky's marines. Ky also altered his hard-line position. Chuan reported to newsmen that Ky promised to keep the marines at the air base and not move them through the road blocks into the portion of the city controlled by the struggle group where the mayor, Dr. Man, remains in command in a Buddhist pagoda.
- 2. While the situation eased in Da Nang, 1st Division commander General Pham Xuan Nhuan, in a speech over Radio Hue, protested the use of marines in Da Nang and the irresponsible statement of the National Leadership Committee and the Central Executive Committee," (presumedly the statement that Central Vietnam is controlled by the Communists). The speech, although anti-Communist and pro-American, has been construed in press reports to mean that the 1st Division will take an antigovernment stand if pro-Ky troops are sent to Hue. MACV reports that Nhuan and his officers have "voted" to join the struggle Nhuan has been informed by the 1st Division forces. US adviser that all US advisers, air liaison officers, helicopters, and fixed-wing aircraft will be evacuated from the 1st Division.

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- The press reports that Thich Tam Chau spoke to 15,000 followers at the Buddhist headquarters in Saigon this evening and called for a national assem-The embassy has no information bly in three months. Several hundred demonstrators, who on the speech. reportedly had attended the Buddhist meeting, attempted to converge on strategic points in the city. police with tear gas, and paratroopers with carbines and clubs, dispersed them at several points not far from the Unified Buddhist Association when they violated the 9:00 p.m. curfew imposed by the commander of the Capital Military Region earlier in the day. By 11:00 p.m. Saigon time, the activity had subsided except for small groups of demonstrators who continued to resist police. Two incidents which no doubt will add fuel to the fire have been reported by the A bystander was nicked by a bullet as paratroopers fired over the heads of the demonstrators. A Buddhist monk was knocked unconscious by a rifle butt as he attempted to mediate between the overzealous students and the riot troops.
- 4. There is still some effort to maintain a dialogue between the Ky government and Buddhist leaders looking toward a possible political compromise. Ky reportedly had sent Tri Quang a message yesterday implying the possibility of further concessions, but warning that strong measures would be used if the Buddhists did not call an end to demonstrations. The Buddhists have shown some willingness to talk, but give no indication of flexibility in their demands, Ky's retreat from the use of force in Da Nang may merely whet their appetite.

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III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

1. There is nothing of significance to report.

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V. COMMUNIST POLITICAL DEVELOPMENTS

Viet Cong Stress Anti-American Theme

Liberation Radio on 5 April broadcast an appeal designed to give the present antigovernment unrest in South Vietnam a more anti-American cast. Urban residents throughout the country were urged to continue the demonstrations against the Ky government and to broaden the scope of their demands to include many of the standard proposals of the National Liberation Front--American withdrawal from South Vietnam and an end to the bombing of villages and the US policy of "enlarging the war." The anti-American proposals were blended in with existing demands for economic and political reform to give the movement a national independence theme. Premier Ky, General Thi, and Buddhist Monk Thich Tam Chau were all characterized as 'lackeys of American imperialism." The people were urged to discard them

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all and to unite with the national forces of democracy and revolution--presumably the National Liberation Front.

Soviets Using Vietnam to Justify Defense Spending

- 4. The TASS summary of Premier Kosygin's economic report on 5 April to the Soviet Party Congress quotes him as stating that because the US is "stepping up the aggressive war in Vietnam" and because the "international situation has seriously deteriorated in recent years," Moscow has been compelled to increase its expenditures for "defense." According to Kosygin, the Soviet Union will continue to give assistance to the Vietnamese people "in the necessary proportions" until they achieve victory.
- 5. Kosygin's comments on defense expenditures are similar to other references by Soviet leaders and seem to be particularly aimed at those susceptible to Chinese charges that Moscow's support of Vietnam is insufficient. In this connection, the USSR would like to dramatize the impact US involvement in Vietnam has had on the chances for a mutual reduction in defense budgets.
- 6. The new economic plan does not suggest that there will be an increase in outlays on defense. It is probable, however, that the rate of increase will closely approximate the rate of growth of the gross national product (GNP) and that defense expenditures will continue to claim about ten percent of the Soviet GNP. In other words, there apparently are to be no major shifts in the allocation of resources for defense.

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